

A PENSION SCANDAL

Green B. Raum, Jr., Son of the Commissioner, Investigated and Forced to Offer His Resignation

Because of the Most Flagrant Sale of Subordinate Positions in the Department.

A STILL MORE SERIOUS CHARGE.

One Contribution to the Conscience Fund Borrowed by the Young Man for His Personal Use.

NO CRIMINAL PROCEEDINGS PROBABLE.

The Bureau, However, Will Be Given a Thorough Shaking Up, and Possibly the Father's Official Head May Follow.

THREE OTHER CLERKS ALREADY DISCHARGED

(SPECIAL TELEGRAM TO THE DISPATCH.)

WASHINGTON, May 15.—The details of a very anomalous scandal were made public to-day, when General Bussey, Assistant Secretary of the Interior, accepted the resignation of Green B. Raum, Jr., Assistant Chief Clerk of the Pension Bureau and son of General Raum, the Commissioner of Pensions.

An investigation of the official conduct of this young man developed the fact that he used the some months past made a business of selling for cash appointments and promotions in the Pension Bureau, and that in addition he had pilfered money belonging to the Treasury of the United States.

Secretary Noble, instead of promptly dismissing young Mr. Raum when his crime became known, allowed him to resign after investigating the case, and the resignation was not accepted until after the "horror" of the Pension Office employees to attend to the resignation of Green B. Raum, Jr., Assistant Chief Clerk of the Pension Bureau and son of General Raum, the Commissioner of Pensions.

Ever since General Raum was made Commissioner of Pensions the actions of his son have been the source of much adverse criticism, and during the investigation of the Commissioner by a House committee last winter some unpleasant facts were brought to light about the young man's habits of profligacy and his private affairs.

Many like charges were made against the Commissioner's son from time to time, but none of these were serious enough in the eyes of the father to prevent him from appointing the son to a responsible place in the Pension Bureau and keeping him in it. The result of this callousness on the part of the Commissioner is a scandal that will disgrace the name of Raum, and in all probability will cause the head of the Commissioner to follow that of Corporal Tanner into the official basket.

How Appointments Were Given Out.

It was a matter of general comment among the clerks in the downtown departments for some months that appointments and promotions were made to order in the Pension Bureau on application to the proper person, and that person, it soon became known, was Assistant Chief Clerk Green B. Raum, Jr., son of the Commissioner. These rumors became so numerous and persistent that Secretary Noble was at last obliged to take official notice of them.

Explicit charges were made that Mr. Raum had appointed persons to the bureau in return for financial benefits received or promised, and one of the cases was laid before the Secretary. The story told to General Noble was that a South Carolinian advertised in some of the local papers for a Government office which would pay not less than \$50 per month, and in that same advertisement the office-seeker declared his willingness to reward the one who could get him the place with the sum of \$200 cash.

The advertisement was replied to by a colored man, who is employed in the Treasury Department and who had been connected in a domestic capacity with the Raum family. This man informed the advertiser of his ability to secure him the coveted place.

A Regular Business of It.

The first step was to introduce the South Carolinian to Assistant Chief Clerk Raum. This was done by the colored man, and in a short time the recommendation for the Southerner's appointment went through the regular channels, and the appointment was made. In some way or other the commission got into the hands of the Treasury Department, and he met the appointee near the Interior Department. An exchange was effected, the colored man getting his \$200, while the gentleman from South Carolina walked away with the precious document.

The colored man testified that he paid the greater portion of this money to Mr. Raum, but Raum denied this statement. Before these matters became known the case developed still further. The South Carolinian wanted a promotion. He needed a \$1,200 salary and was willing to pay for it. A job was put up by which a clerk in the pension office personated Smith, for that was the Southerner's name, before the Civil Service Commission. The minute passed a good examination, and when Smith's name was drawn from the eligible list Smith himself put in an appearance. The photograph of Mr. Jackson, who was the pension office clerk, not being on the papers, there was no way to identify Smith, so he got the appointment.

Three Other Clerks Discharged.

As soon as Secretary Noble was aware of these things he promptly discharged Smith, and the same fate befell the other three clerks who had been similarly promoted.

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Jackson and a clerk in the Indian Bureau, who was in some manner concerned in the affair. Then the Secretary called upon Green B. Raum, Jr., to bring forth his resignation. To this Mr. Raum demurred, but Secretary Noble was adamant, and the resignation was finally forthcoming.

Before it was accepted, however, which was not until to-day, the facts as to the stolen money were discovered. These facts showed that about three months ago the sum of \$72 was received by the Pension Office from a pensioner who claimed to have received that much more than was due him. A letter accompanied the money, and this was signed "Honesty." As was customary, the \$72 was placed in the safe of the assistant clerk for safe keeping until it could be turned into the Treasury. When the money was called for it was not there. The chief of division, who is responsible for it, made inquiry as to its whereabouts, and as was developed in testimony given to-day before Assistant Secretaries Chandler and Bussey, it was found to be in the possession of Green B. Raum, Jr., having borrowed it and applied it to his personal uses. Several days after Mr. Raum's demanded resignation had been handed in the money was returned by Mr. Raum. This is the history in brief of one of the most surprising cases of petty corruption that has disgraced any administration.

The Commissioner in Ignorance.

The officials of the Interior Department who investigated the case and accepted Mr. Raum's resignation, knowing him to have taken money that did not belong to him, happen to say that the Commissioner was not in any way connected with the case. It only proves that he conducts the Pension Bureau in a very careless and haphazard style. Not to know what appointments and promotions were being made, and by whose order, is to convict the Commissioner of great carelessness.

But whether or not he is directly or indirectly responsible for the misconduct of his son, the revelations will lead to a more thorough investigation of the Commissioner and of his administration. It is to be expected that the investigation committee last winter, President Harrison may undertake to investigate General Raum himself. He told him last spring, it is reported, that the House of Representatives would without delay adopt the whitewash report made by the committee his tenure of office would be short. General Raum did not respond to this report, and in the light of the present scandal the President may carry out his threat. If he does not, or even if he does, the next House of Representatives will conduct an investigation of the Pension Bureau that will be an investigation indeed, and that will not allow a chance for a whitewash report of anyone who has used the Pension Bureau to enrich himself, as General Raum and members of his family have undoubtedly done.

NO CONTRACT LABOR THERE.

Secretary Foster Denies the Employment of Aliens by the Government.

WASHINGTON, May 15.—The Federation of Labor has secured an official recognition of its complaints that the contract labor law has been violated by Government officers, the employment of certain alien laborers in the Washington Navy Yard. Formal complaint having been made, it was referred by the Treasury Department to the Navy Department and proper response was his on the nation of a broad denial, to the effect that no agreement, contract, arrangement or understanding, direct or indirect, was or had been entered into between the Navy yard officials and the Commissioner of Pensions, prior to their arrival in this country.

Therefore, the Secretary of the Treasury, in a letter to-day to the President of the Federation of Labor, states the opinion of his department to be that no violation of law is involved in the employment of these men, but notwithstanding all this, Secretary Foster said that the report of the Federation of Labor that it had information to show that there has been a violation of law will be pleased to receive a communication citing the law that is claimed to be violated.

JACK ROBINSON'S ERRAND.

He Runs Down to Washington to Look After a Few Friends.

WASHINGTON, May 15.—State Senator and Congressman-elect John B. Robinson has been in Washington to-day, busily engaged in looking after the interests of constituents, some of whom aspire to official positions at the hands of the powers at Washington.

He is not disposed at this juncture to talk very freely about his candidature for Presidency of the National Republican Clubs.

CARE OF THE INSANE.

THE CHARITY CONVENTION LISTENS TO INTERESTING PAPERS.

Great Difficulty in Sometimes Distinguishing the Sane From the Insane.—The paper on "Care of the Insane" for the Children in Cities Discussed.

INDIANAPOLIS, May 15.—At this morning session the charity conference listened to a paper on the "Care and Treatment of the Insane" by A. R. Moulton, of Boston. Dr. Dewey, Superintendent of the Illinois Insane Asylum at Kankakee, Ill., followed with a paper on "Voluntary or Self-Commitment to Insane Asylums." He said that the idea that a person would voluntarily enter an insane hospital was a mere newspaper reporter's invention, and that the insane are committed to asylums by their families, or by the courts, or by the State.

Dr. W. W. Fletcher, of Indianapolis, followed with a paper on "The Care of the Insane." Oscar Craig, of Rochester, N. Y., read a paper highly commendatory of the New York law for the care of the chronic insane, which was passed in 1887, and which provided for the detention of the insane in county care of the insane and strongly denominated of what he termed "palace prisons," where from 500 to 2,000 human beings were confined.

The children present in cities was the topic for the evening and was opened with the report of the committee having the question in charge. An interesting paper was read by Dr. W. W. Fletcher, of Indianapolis, on "The Care of Delinquent Children." In the nine years since its organization, the Children's Aid Society of Pennsylvania has made provision for 3,577 children. Having been successful in Pennsylvania, he said, he had come to distrust the reformatory system we have tried in earnest the experiment of placing such children in families. The results have been more encouraging than those of them had dared hope.

SANITARIANS IN SESSION.

The State Convention Holding Its Annual Meeting at Altoona.

ALTOONA, May 15.—The State Sanitary Convention held its opening sessions in Liberty Hall to-day, Hon. John Dean presiding. The members of the State Board of Health are present. Mayor Burdick welcomed the sanitarians, and Dr. G. W. Wagner, President of the State Board of Health, responded. Dr. Pemberton Dudley, of Hahnemann Institute, Philadelphia, made some opening remarks in which he congratulated himself and the members upon the fact that in the meetings of the State Board of Health, the Allopathic and the Homeopathic lamb lay down together, the former retaining his skin and the latter ceasing a fit of indignation.

During the morning Drs. Lee and McClelland spoke in pointed terms of the need of registration toward the State Board of Health. Dr. Wagner, of Johnstown, read a paper in which he pleaded for educated physicians. At the afternoon session Dr. A. L. Flick, of Philadelphia, read a paper in which he held that consumption is a contagious disease and should be reported to the State Board of Health. Dr. Horace Smith, of Altoona, read a paper on "Sanitary Education in the Home." Charles McIntyre read a paper, "The Ostrich and the Camel," and Prof. G. G. Groff one on "The Earth Closet in Country and Towns."

STANDING BY BRIGGS.

AN ADDRESS FROM THE FACULTY OF THE UNION SEMINARY.

They Do Not Believe the Inaugural Address Was Merely a Political Appeal for Play in Public Discussion.

(SPECIAL TELEGRAM TO THE DISPATCH.)

NEW YORK, May 15.—To offset all possible machinations of his enemies, some of the friends of Prof. Briggs began to-day to circulate a pamphlet, of which the main expressions are these: In view of the general comment and discussion called forth by the recent inaugural address of President Harrison, D. D., the members of the faculty of Union Theological Seminary deem it their duty to make the following statement: It is the conviction of the Christian community, modestly and respectfully for difference of opinion should characterize theological controversy, we distinctly recognize and deprecate the dogmatic and irritating character of certain of the utterances of the President, and of others of various kind, on the other hand, we do not recognize, and we do not warrant for publication, any representations of his views and for the style and temper in which they have been made.

First.—The views propounded by Dr. Briggs in his inaugural address are not, in our judgment, contained in anything which can be fairly construed into heresy or departure from the orthodox faith of the Christian Church, as honestly subscribed at his recent inauguration.

Second.—After years of familiar acquaintance with Dr. Briggs and his teaching, we are moved to utter our emphatic protest against the spirit and tone with which, in so many cases, he has been assailed. If he has been charged with any want of honesty or integrity, we have no doubt that the Christian community will hold him to account. It is not our business to defend the President, but to defend the principles of his own conscience and to God. But in the public discussion of matters of opinion it is neither right nor wise to indulge in learned, devoted scholar and faithful teacher, even though mistaken, should be assailed with the content of and by an unbecoming and unbecoming tone, which the lower critics or the unscrupulous are bound to respect, and that the fact of his being a Christian should be an excuse for any unbecoming or unbecoming tone in discussing the character of Christian gentlemen. We know Dr. Briggs as a man of high character and high standards of the church with intelligence based on the exhaustive study of his history and his character, and we are confident that his students during 17 years prior to that which inspired them with a deep reverence for his name and his teaching.

In like manner we protest against the matter and temper of the assaults on Union Theological Seminary, and we are confident that the character, standing and services of the Seminary, and the high character and value of its contributions to Christian education, this institution should be insured against any such attacks. We are confident that the Seminary needs no demonstration. From the days of Edward Robinson, the Seminary has been a model of Christian education, and American Bible Societies, Union Seminary has steadily pressed forward the cause of advanced Biblical study.

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THE ORIGIN OF THE REVOLUTION.

Both Sides Control Some Ports and Are Collecting Revenues.

PERU KEEPS A STRICT NEUTRALITY

(SPECIAL TELEGRAM TO THE DISPATCH.)

NEW YORK, May 15.—Mr. Edward Eyre, a nephew of ex-Mayor W. R. Grace, arrived on the steamer Colon from Aspinwall on Thursday. Mr. Eyre is a representative of the firm at Callao, and this is his first visit home in 24 years. Speaking to the press on his arrival, he said: "The Peruvian Government in settlement of its external debt ceded to the Peruvian bondholders all the railways that had been built in Peru with the proceeds of the different loans raised by the Peruvian Government in 1869, 1870 and 1872, amounting to \$32,000,000, besides interest, making an aggregate of \$58,000,000.

"The Peruvian bondholders formed an association called the Peruvian Corporation, Limited, which is now managing those roads and handling the other concessions ceded by Peru to the bondholders. Our firm in Peru is supervising and managing all the contracts made for the extension of the roads, which are being carried on to a satisfactory result. Another contract has been made for the extension of the southern system of railways from Santa Rosa to Sienna, and also for the construction of 100 miles of road in different parts of the country. The corporation has placed these roads under the management of our firm in Peru."

The Origin of the Revolution.

Mr. Eyre having been such a close neighbor to the fighting Chileans, was asked to give a brief history of those roads. He said: "I have not come from Chile, but from Peru, consequently I am not acquainted with full details. The origin of the revolution in Chile was a deadlock between the Chilean Congress and the Executive. I understand that General Baquedano, who was President of the Executive, made for coming elections, and Congress, to bring pressure on the Executive, refused to accept the budget of the Executive, expecting that the budget would be voted. When he saw that it would not, he exercised for the first time in Chile, the prerogative which he claims to have, of declaring the Executive, of declaring the extraordinary session closed.

"Several attempts were made to settle the differences between the Executive and legislative branches of the Government, but all failed, resulting in the revolution which broke out on January 1st, when the leaders of the two houses succeeded in inducing the Executive to resign. The Executive, claiming that Baquedano was maintaining the army and navy against the law, which stipulates that they can only be maintained with the consent of and by an express law authorizing their continuance and maintenance passed yearly by Congress. It is generally thought that the members of Congress believed that the Executive would not give up the action taken by the navy he would come to terms.

Not Giving Up Without a Fight.

"In this, however, they were deceived, as he has been most energetic in trying to crush the revolution, getting together a Chilean army of 30,000 men—but as he had no control on the sea the congressional party were enabled, after some fighting, to secure possession of the coast. The army, which are the provinces that were taken from Peru. The opposition has also got control of the coast south from Iquique as far as Caldera, at which latter port the Chilean army landed. The revolution was blown up by a torpedo after landing the troops that took possession of this port.

"The two large and very fast torpedo boats, the Almirante Lynch and Condeal, which he arrived at Caldera, were commenced, are acting under the President's orders, and I understand he expects a couple of vessels now being finished in Europe to join the fleet. The President permits their sailing from French ports."

From what source do the insurgents obtain funds to continue this warfare?

"The Chilean Government has received reports from which nitrate is shipped, they receiving the export duties payable to the Chilean Government, which amounts to \$400,000 per month. It is said that they are carrying on this warfare."

A Large Issue of Paper Money.

"From the general revenues of the country, principally the custom houses of Valparaiso and Talcahuano, but as these were not sufficient to meet the requirements, he issued \$12,000,000 paper money which was taken by the people and used to pay the army. The currency of Chile consists of notes issued and guaranteed by the Government. This currency is not convertible on the dollar when the revolution broke out, but according to my last advice has declined to 30 cents.

Do you know of any firms in New York that are supplying the insurgents with arms?

"No, I do not."

How long do you think the struggle will last?

"It is very hard to say, but I am afraid it will last for many months yet, as the opposition is not likely to accept as a solution of the difficulty the man who Baquedano proposed to succeed him as President (General Vicuña) when his term expires, on September 18th."

How is the credit of Chile with foreign nations?

"Chilean bonds have declined a little, owing to the revolution, but not to the extent that might have been expected. Chile has enjoyed such an excellent reputation that the effect has not been in her case as it would have been in others, and her total external debt is only about \$35,000,000, which is, no doubt, in any case perfectly good."

Under present circumstances it is not likely that she could obtain any assistance from the United States, but if she could she could have had all the money she desired for public works and other uses. Her last loan, a million pounds sterling, was placed close to par—to speak accurately, to believe it was 92 and a half, and was held principally by the Rothschilds."

What interest is taken in the affair in Peru, and what sympathy, if any, is extended to the revolution?

"In Peru the general desire is that a peaceful solution of the difficulty should be reached, as it affects the business of that country considerably, but beyond this neither the people nor the Government have any interest in either side. The Government has observed the strictest neutrality, and I know positively that that is the policy which the Peruvian Government proposes to follow. This I can affirm, as I have it direct from the President of Peru and his Ministers. What the commerce of the coast needs is peace, and the unanimous feeling is one of the deepest regret that Chile should have become involved in such a condition of internal strife."

DANGER IN FRONT.

AMERICAN WARSHIPS WAITING FOR THE ITATA AT CHILE.

The Emeralds Does Not Seem to Be Afraid of the Yankee Guns—No Official News Yet Received From the Chilean Fleet.

WASHINGTON, May 15.—A long cable dispatch in cipher was received at the Navy Department this morning. It appeared later in the day, when the cable dispatches had been deciphered, that it had been sent by Admiral Brown from the San Francisco, which is now at some Chilean port. Information as to its contents was refused at the department further than that it was an answer from Admiral Brown to the instructions given to him by the Navy Department. This is an indication that even in the event of the failure of the Charleston to catch the Itata the latter vessel will not have escaped danger, and will have to run the gauntlet of United States vessels now on the Chilean coast. Up to the close of business hours at the department no advice had been received of the Charleston or the Itata.

A dispatch from the City of Mexico says: The Chilean insurgent cruiser Esmeralda is evidently not afraid of the United States cruiser Charleston, which is now at Acapulco, received here at a late hour last night, says that the cruiser Esmeralda entered that port Wednesday and sailed again yesterday. Several of her officers were ashore and used the opportunity to make various inquiries regarding the action of the United States, showing that they had been informed that the cruiser Charleston had been sent to the coast of Chile. It is believed that she has steamed north to intercept the Itata, and protect her should the Charleston attempt to capture her.

REALLY A BANKRUPT.

England's Heir Deeply Involved, Notwithstanding All Denials.

COULD NOT BLEED BARON HIRSCH.

THE QUEEN FINALLY PUT UP, BUT WILL DEDUCT THE AMOUNT IN HER WILL.

ILLNESS OF THE EMBARRASSED PRINCE.

(BY DUNLAP'S CABLE COMPANY.)

LONDON, May 15.—Many statements have appeared in regard to the debts of the Prince of Wales, and Mr. Edmund Yates has hinted at the truth in one week and denied it in the next. The facts, however, are very simple, and are all explained in the fact that the Prince lives far beyond his income.

The Prince had borrowed £150,000 from that late Anglo-India nabob, MacKenzie, and late to discharge the debt he put a mortgage for £250,000 on the Sandringham estate, made out to Messrs. Murrietas. Then followed the Argentine collapse and the Murrietas were hit very hard and suffered great losses. There was nothing for them to do but to sell the estate, and the late nabob, MacKenzie, who may be regarded as the Prince's latest friend, might and would probably very gladly have come to the rescue, but the Prince hesitated about allowing him to do so, because he realizes how exceedingly unpopular the idea is in England, and that both the English and German courts that he should be on such close terms with the Hebrew nabob.

Could Not Call Upon Hirsch.

Then the approaching visit of the Kaiser to England was another reason why Baron Hirsch could not be called upon, for the presence of the Kaiser would make it impossible for Hirsch to appear in public on English soil at present, and the Prince fully realized that this would be the price of such a loan, because the Baron is reputed to be a very close ally of the Kaiser, and outside of his magnificent charitable bequests he exacts full return for any money he may put out.

This return, the Prince clearly understood, was to be made on social lines. All hope, therefore, of relief from the Baron being an end, the Prince, in his dilemma, sought the Marquis of Salisbury, and suggested an appeal to the Queen. The proceeding is unpopular, and recognized as such by the Premier, that he pointed out to the Prince its objectionable features and showed him that his position would be very invidious in the country refused to vote the necessary sum.

This made the situation embarrassing and critical for the Prince, but Salisbury was firm in his unwillingness to take the matter in the matter that the Prince desired. He finally, however, consented to make a personal appeal to the Queen in the matter.

An Act of Courage for the Premier.

This must be regarded as a courageous act, for owing to the fact that the Prince is so unpleasantly associated with the recent MacCarthur scandal Her Majesty has not been favorably disposed toward her eldest son. The Premier, however, addressed the Queen on the subject, and his action was a personal appeal to the Queen in the matter.

GOAT BLOOD IN CONSUMPTION.

Prof. Bernheim Says It Has a Good Effect in the First Stages.

PAGE, May 15.—Prof. Bernheim has submitted his report to the Academy of Medicine regarding experiments made to cure tuberculosis by the transfusion of goat's blood. The professor in his report says that 14 patients have been treated by this system and that two of them in the last stage of anaemia were cured. Ten of the remaining number, suffering from tuberculosis, are reported to be greatly improved by the new treatment and the last 2 of the 14 patients, both of whom were in an advanced stage of consumption, died six weeks after receiving the first transfusion of goat blood.

Prof. Bernheim declared that the goat's blood treatment has an important effect in the first stages of consumption, but adds it should not be used in the last stages.

ENGLISH ROYALTY SHOCKED.

Victoria and Wales Grieve Over Prince Teck's Fondness for the Stage.

(BY DUNLAP'S CABLE COMPANY.)

LONDON, May 15.—The Queen and the Prince of Wales have a complaint now that brings them together once more in sympathy and indignation. It is on account of the action of Prince Francis of Teck in associating himself with an amateur dramatic actor in the person of a young Englishman. The company has been playing the burlesque of "All Baba, or the Forty Thieves," and Teck has had a hit in the character of Genoa.

Prince Francis has been stationed at the Colchester Barracks, and the royal family is inexpressibly shocked at his preference for the stage.

HOW THE BANK WAS WRECKED.

Examiner Drew's Startling Testimony as to the Keystone Swindler's Methods.

PHILADELPHIA, May 15.—Gideon W. Marsh, President, and Charles W. Lawrence, Assistant Drew of the suspended Keystone National Bank, were given a partial hearing before United States Commissioner Bell this afternoon, charged with making false returns to the Controller of the Currency as to the condition of the bank. Examiner Drew told of the way in which the shortage was covered up as follows: President Marsh and Mr. Lawrence would remove from the individual deposit ledger a certain number of names, and the amount of the book these names would be reinserted. The effect of this work would be to show that the deposits were much less than they really were.

Dr. Drew characterized this as an unheard-of method in bank wrecking. They falsified accounts as well. The entries showed that the Chase National Bank and the Merchants' National Bank of New York owed the Keystone small sums, but their accounts were swelled so as to show that they owed \$78,000. A considerable number of names were discounted paper alleged to be held by the bank was missing. Altogether the present deficiency amounts to \$898,000.

ENGINEERS GETTING TOGETHER.

They Are Preparing for an International Convention in Chicago in 1893.

CHICAGO, May 15.—Representatives of the principal engineering societies of the country are in the city to attend a convention for the purpose of making plans for the establishment of an engineering headquarters to an international engineering congress during the World's Fair in 1893.

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